



TELANGANA ELECTRICITY REGULATORY COMMISSION

Vidyut Niyantran Bhavan, GTS Colony Kalyan Nagar, Hyderabad 500045

Minutes of the 10th State Advisory Committee (SAC) meeting held on 03.02.2026

Present:

S. No.	Name	Designation
Members		
1	Justice Dr Devaraju Nagarjun	Hon'ble Chairman, Telangana Electricity Regulatory Commission
2	Sri Raghu Kancharla	Hon'ble Member (Technical)/ Telangana Electricity Regulatory Commission
3	Sri Cherukuri Srinivasa Rao	Hon'ble Member (Finance)/ Telangana Electricity Regulatory Commission
4	Sri Seshagiri Rao N	Vice President Commercial, Greenko Energy Private Limited (GEPL)
5	Sri Gaurav Maheshwari represented by Sri Surajit Mukherjee	Assistant Vice President - Regulatory Affairs, Indian Energy Exchange (IEX)
6	Sri Vinod Kumar Agarwal represented by Sri Anil Agarwal	Chairman, Energy (Power & Renewable Energy) Committee, The Federation of Telangana Chambers of Commerce and Industry (FTCCI)
7	Sri Injeti Gopinath	Chief Executive Officer, South Indian Cement Manufacturers' Association (SICMA)
8	Sri R. K. Agarwal represented by Sri Sushil Sangati	Chairman, Telangana Spinning & Textile Mills Association (TSTMA)
9	Sri M. Sridhar Reddy	Member, Bharatiya Kisan Sangh, Telangana (BKS)
10	Sri Shashi Bushan Kache	State Co-ordinator, Kisan Congress
11	Sri E. Sridhar	Secretary General, Telangana State Electricity Employees Union 327
12	Dr. Arrvapalli Veerabhadra Rao	Founder Secretary, Professionally Effective Association for Community Empowerment (PEACE)
13	Dr. Narasimha Reddy Donthi	Consumer
14	Sri Srihari Dukkipati	Fellow, Prayas (Energy Group)
15	Sri P. Shashidhar Reddy	Consumer
16	Sri G. Sai babu	General Secretary, Telangana State Electricity Employees Union 1104
17	Sri K Thourya represented by Sri Deependra Marwar, Dy CE	Chief Electrical Distribution Engineer, South Central Railway

Special Invitees		
18	Sri Navin Mittal, IAS	Special Chief Secretary to Government, Energy Department
19	Sri S. Harish, IAS	Chairman and Managing Director, TGGenco
20	Sri Musharraf Ali Faruqui, IAS	Chairman and Managing Director, TGSPDCL
21	Sri Karnati Varun Reddy, IAS	Chairman and Managing Director, TGNPDCL
22	Smt. Anila Vavilla	Vice Chairman & Managing Director, TGREDCO
23	Sri B. Bixapathi	Managing Director CESS
24	Sri M. Venu Gopal Rao	Senior Journalist & Convener, Centre for Power Studies
25	Sri M. A. Vazeer	Central Committee President, Telangana State Power Employees Union
SAC Secretary		
26	Sri V Ramchander	Commission Secretary, Telangana Electricity Regulatory Commission

Hon'ble Chairman, TGERC chaired the meeting.

The Commission Secretary, on taking permission from the Hon'ble Chairman, has commenced the meeting by welcoming all present. He informed that this State Advisory Committee has been constituted under the Electricity Act, 2003 with members participating from different sectors of the society, like the power sector, the research wings, domestic & commercial consumers, the Agri sector, the industrial sector, NGOs, trade unions and Special Invitees.

He mentioned that the required quorum for the meeting is established and announced the agenda for the meeting for the day.

He then requested the Hon'ble Chairperson to deliver his valuable address.

The **Chairman** welcomed the gathering by greeting the Special Chief Secretary, heads of the power utilities, all the senior officials from the government and members of the State Advisory Committee and Special Invitees. He complimented the power utilities for the continuous efforts made to improve the performance of sector in the state. He spoke of the transition happening with incidence and growth of renewable energy and the rapid global changes in the power sector in technology, requiring nearly **\$3 trillion** in investment to achieve Net Zero goals

and 50% green power by 2030, with greater reliance on renewable energy, PSPs, battery storage, and robust infrastructure. The peak demand in the state has reached **17,100 MW** in March and is projected to rise to **29,000 MW** by 2030, necessitating significant investment and planning.

He acknowledged challenges facing state utilities, including financial stress, open access, Electricity Act amendments, subsidies, and receivables. He emphasized improving efficiency, prudent evaluation, and balancing consumer protection with utility sustainability. He congratulated the Officers and staff of Power Utilities and generators for ensuring round-the-clock power despite these challenges.

The Chairman concluded his address by inviting members to offer valuable suggestions and requested the CMDs of the DISCOMs to present the status of the power sector and the tariff proposal submitted to the Commission for FY 2026–27.

Mr. Musharraf Ali Faruqui, CMD of TGSPDCL made a presentation on the status of the power sector in Telangana and the government's future action plan under the Rising Telangana vision. He outlined the expected investments, infrastructure development over the next three years, and the projected CAGR in energy across consumer categories. He also presented an analysis of the government's projected plans and of the growing demand.

On the revenue front, he stated that a gap of around **Rs. 22,000 crore** is expected for the ensuing year, which is to be met through government support and other sources. He informed that no tariff increase has been proposed and that the focus is on improving operational efficiency and revenue realization. He further stated that the tariff and True-up petitions for FY 2026–27 were filed under the MYT Regulations within the prescribed timelines and in compliance with all requirements. He added that the DISCOMs are striving to provide the best possible consumer service through SOPs and are fully geared to meet the state's growing power requirements.

The Chairman then advised the Commission Secretary to ask for the suggestions by various members. Accordingly, the Commission Secretary requested the esteemed members, to present their views, which are as follows:

Mr. N. Seshagiri Rao:

Mr. Seshagiri Rao complimented the DISCOMs and the officers for their good performance in providing uninterrupted power supply. He however mentioned that the cross-subsidy surcharge needs to be brought down and gradually phased out. The additional surcharge also too needs to be removed, both of which contribute a very small fraction of the revenues. He further mentioned that incentives during solar hours are desirable. He informed that power purchase cost contributes to significant part of expenditure. Telangana has rich solar energy potential, hence suggested that storage measures of such power will help in reducing the power purchase cost.

Mr. Surajit Mukherjee on behalf of Mr. Gaurav Maheshwari:

Mr. Surajit Mukherjee stated that Telangana DISCOMs have effectively optimized power procurement through the Day Ahead Market (DAM) and Real Time Market (RTM) by leveraging low exchange prices. He appreciated their market-based procurement strategy, noting that they have emerged as a role model for other DISCOMs and have consistently achieved efficient power purchase optimization over the past two to three years. He observed that during the previous year, DAM prices had fallen to zero and, on several occasions, ranged between 10 and 20 paise for about 10 to 12 days. He added that similar price trends are expected in the future. Referring to new Power Purchase Agreements (PPAs) in other states, including 1600 MW in Tamil Nadu and 1000 MW in Karnataka, he opined that power prices are likely to remain below Rs. 4.00 going forward.

Mr. Anil Agarwal on behalf of Mr. Vinod Kumar Agarwal:

Mr. Anil Agarwal thanked the Commission for the opportunity to present the Federation's views. He stated that the Federation has been actively representing consumer and industry interests before the Commission, TRANSCO, and DISCOMs. He appreciated the Commission for patiently hearing recent petitions and observed that the present Commission has been proactive and responsive to stakeholder concerns. He highlighted the difficulties faced by LT and HT industries due to the implementation of kVARh and power factor provisions in billing, stating that electricity bills of some small industries have increased substantially. While appreciating the Commission's orders and the time granted for the said implementation, he pointed out that adequate awareness

programmes had not been conducted at the field level. He requested for further postponement of implementation to enable industries to adapt to the change. He further stated that despite the announcement of Green Energy Policy in January 2025, no Open Access approvals have been granted. He urged the Commission to adopt proactive measures similar to that in Andhra Pradesh, particularly in promoting green energy and storage solutions such as pumped storage and battery storage. He emphasized the importance of industrial growth for achieving the State's economy vision. He requested more time for stakeholders to file objections when multiple petitions are filed simultaneously by Discoms. Referring to the Time-of-Day (ToD) tariff, he stated that power purchase prices had declined during the current year and requested that the resulting savings be passed on to consumers through lower tariffs.

Mr. Injeti Gopinath:

Mr. Gopinath said he represents the cement industry and that its' concerns mirror those raised by the FTCCI and other stakeholders. He limited his remarks to the Ministry of Power's recent Integrated Rating of DISCOMs. He noted that although the State typically ranks high, the DISCOMs fare comparatively at a low level in their rankings. He was confident that as they have good managerial and technical capacity the performance will improve. He said that receivables which are mostly from Government are high at 84%–89% across DISCOMs, potentially adding to the financial stress. AT&C losses are relatively high compared to other states. He suggested for timely true-ups to reduce consumer burden, avoid tariff shocks and provide tariff certainty. He requested the Commission to allow more time for filing objections on the several petitions filed now, as it is becoming difficult to analyse them properly.

Mr. Sushil Sangati on behalf of Mr. R K Agarwal:

Mr. Sushil Sangati highlighted the industry's concern over the Time-of-Day (ToD) tariff, expressing confidence that the Commission would address it. He recommended reintroducing load factor incentives to optimize Contracted Maximum Demand, and suggested incentives for timely payments. He urged phasing out or reducing the cross-subsidy surcharge and proposed a multi-year tariff framework, similar to that of Maharashtra, to aid industrial planning amid global challenges. He raised issues with recent billing practices, particularly

kVARh charges, stating that they could force closures of industries. On renewable energy, he called for faster implementation of the Green Energy Policy. He observed that reducing net metering eligibility from 1 MW to 500 kW is a retrograde step and requested for restoration to 1 MW.

Mr. M. Sridhar Reddy:

Mr. Sridhar Reddy thanked the Commission and noted that Discoms' tariff proposals show a revenue gap of ₹22,000 crores, with alarming government dues and no plan to bridge the shortfall. He welcomed the idea of a third Discom but said operational details are missing. He highlighted field-level issues, especially for agriculture consumers, where only 14 hours of supply is given against the 18 hours needed. He pointed out hardships for domestic consumers due to occupation certification requirements for homes in urban areas, and of hardship caused by transmission lines laid through fields, with low compensation being paid for any land acquisition so made. He said that the process involved for the claim for accident relief is quite complex and time consuming. He expressed concern over frequent accidents and urged for more safety measures and for undertaking awareness programs at all levels. He also mentioned of consumer difficulties in getting new connections, for which CMD of TGSPDCL informed of Commission's recent order on simplifying the process, which is now being implemented and will enable more ease.

Mr. Sashi Bhushan Kache:

Mr. Sashibhushan said Telangana is a rising state with a vision of ₹3 trillion revenue, where the energy sector will play a key role. He mentioned of key government initiatives such as the Yadadri and Singareni power plants and large-scale solar projects, appreciating that farmers are being enabled to generate solar power. He expressed dissatisfaction with the attitude of lower staff in the field, urging for better consumer service and their skill upgrades. On safety front, he stressed the need for greater care and consumer awareness to prevent accidents and for more publicity in this regard.

Mr. E. Sridhar:

Mr. Sridhar thanked the Commission and Government for the growth of the sector but criticized the lack of recruitment despite increasing demand for power,

severe manpower shortages, rising workload, and consumer expectations. He urged for a more rational manpower policy and observed that reliance on contractors is leading to more accidents. He recommended for adopting new technologies, such as redesigned poles for easier climbing and emphasized employee awareness, morale improvement, and eliminating corruption at all levels.

Dr. Aravapalli Veerabhadra Rao:

Mr. Veerabhadra Rao praised the Utilities' leadership and expected much improved performance and service to consumers. He urged greater focus on farmers, including creating awareness and support for rooftop solar plants under the KUSUM scheme. He felt the rate offered at ₹3.13 per unit was low. He appreciated efforts in the TGNPDCL area but called for further improvement and reduction of distribution losses. He suggested counselling farmers to grow commercial crops instead of paddy to reduce the use of power, encourage solar pumps, and allow farmer groups to set up solar plants of 3 MW or more. He also expressed concern over frequent accidents, calling for immediate attention to reduce their incidence and creating awareness constantly.

Dr. Donthi Narsimha Reddy:

Dr. Narsimha Reddy has thanked the Commission and suggested that SAC meetings be held more often. He praised the utilities' leadership but criticized flaws in ARR data and audit reports submitted, calling for standardization and multi-year reporting. He noted the absence of provisions for any disaster mitigation and expressed concern over the huge revenue gap. He raised the issue of government support without tariff hikes. He highlighted unresolved legacy liabilities and termed Yadadri and Bhadradi power plants as "white elephants" due to high costs. He recommended that the DISCOMs should seek government subsidy support before ARR filing. He sought for more clarity on liquidity, risk analysis, and the unclear third Discom plan. He stressed factoring the climate commitments, seasonal demand from lift irrigation, and data centres, along with their water needs would be quite crucial. Finally, he said the clean and green solar policy is poorly drafted and requires reassessment.

Mr. Srihari Dukkipati:

Mr. Srihari suggested SAC meetings be held every three months to discuss developments like clean energy, Kusum, PM Suryagarh, and policy amendments. He urged for demand forecasts, category-wise using CAGR analysis, better monitoring of agricultural demand through feeder-level metering, and improved five-year power purchase planning with detailed modelling. He emphasized for a proper regulation on resource adequacy with public involvement and noted omissions in petitions regarding PHPS and solar projects. He expressed concern over Telangana Discoms' poor financial health, with cumulative losses of about ₹70,000 crores. He stressed on improving power quality and reducing accidents, which are three times the national average. He recommended area-wise accident analysis, clearer SOPs, and separate public hearings for listening to consumer voices. While appreciating progress in the TGNPDCL area, he said much more remains to be done.

Mr. P. Shashidar Reddy:

Mr. Shashidar Reddy emphasized that consumers are the backbone of the electricity sector and their interests must be protected. He noted the shortage of materials in several stores is causing hardship. He thanked the Commission for forwarding his request to create a separate store at Medak. With 80% of Telangana's agriculture sector dependent on electricity, he stressed the need for proper care and attention in the rural areas. He urged scrutiny of Standards of Performance and directives, citing less field staff are leading to deficiencies and delays in service. He called for creating greater safety awareness among rural consumers to reduce the accidents. He made an appeal for raising ex-gratia compensation from ₹5 lakhs to ₹15 lakhs and also for simplifying claims process. He also suggested that DISCOMs bear the cost of shifting overhead lines at the Indiramma housing areas and to the poor consumers who need such support.

Mr. G. Saibabu:

Mr. Saibabu acknowledged the efforts of employees across all levels to improve consumer service but noted that growing new connections have greatly increased the workload of field staff. He stressed the need for recruitment to strengthen the workforce and render better service. While new substations are being built, operators are not recruited; forcing O&M staff to handle maintenance activities,

thus adding to their burden. He emphasized that electricity tariffs should be revised upwards in line with rising costs and urged for timely release of government arrears and subsidies. He requested for the support of the Commission in this regard.

Mr. Deependra Marwar on behalf of Mr K. Thourya:

Mr. Deependra Marwar noted that the tariffs for Railways average at ₹7.03 per kVA which is higher than the tariff applicable to Hyderabad Metro Rail. He requested for parity in this regard. He sought clearance of the pending NOC for open access and installation of ABT meters, for which the requisite amount was paid in 2017-18 but the same is not commissioned so far. On impact of billing reckoning the reactive power, he explained that the railway power loads are highly dynamic, hence with higher leading KVAR incidence. He said, considering the specific difficulty, the Railways may be exempted from any penalties in this regard. He highlighted delays in CMD/RMD approvals, especially at Bhadrachalam, Vikarabad, Miryalaguda, and Janakampet zones which are pending for several months. He also requested for correction of a billing anomaly at a traction substation in May, where RMD was billed higher than actual demand which amounts about Rs. 76 lakhs and sought early resolution.

Mr. M. Venugopal Rao:

He raised his concern before the Commission that about 23 petitions were filed in 40 days with the Regulatory Commissions leaving insufficient time for detailed submissions of his objections and comments. He mentioned that scheduling of petitions should be done in such a way that there are no conflicts with dates of APERC hearings. On surplus power, he pointed out of projected surplus of 28,000 MU and of market purchases of 14,000 MU, calling this as contradictory and burdensome for consumers calling for more critical evaluation. He stressed that power purchase costs remain high, transmission and distribution expenses are rising and this calls for more prudence checks and realistic demand projections. He proposed few suggestions in PPAs, including on liquidated damages for delays, penalties for low PLF, and disallowance of capital costs due to delays. Regarding TOD and renewables, he criticized blanket incentives without verified demand shifting and noted the lack of solar incentivization proposals. He cautioned that mandatory solar purchases will lead to inefficient

procurement when thermal generation is backed down. He emphasized that consumer protection is important and mentioned of his long-standing public interest role in this regard.

Mr. M. A. Vazeer:

Mr Vazeer suggested that tariffs must be raised immediately to match rising operation and generation costs. He mentioned that about ₹100 crore CPF fund which was used by APERC should be refunded and urged for more steps to be taken to recover it from the AP government. He welcomed the proposal for a new DISCOM and requested that about 600 employees, who were left out when about 23,000 temporary employees were absorbed as artisans in the sector, be accommodated there. He opposed privatizing YTPS thermal plant operations by M/s PowerMech, on pretext of higher cost of operation, and urged for stopping such moves. On green energy, he emphasized that stronger initiatives needs to be taken.

In response to various suggestions and comments, the Special Chief Secretary, mentioned that the DISCOMs have been rendering a commendable job throughout the year, supplying reliable power at a reasonable cost. Several changes are happening in the electricity sector due to changing dynamics especially due to focus on green energy. He thanked the Power Exchange, IEX, who complimented TRANSCO for saying that they are a role model for the entire country in making power purchases at an optimal cost. He mentioned that today the state has become a net seller, which is very important. About the third DISCOM, he suggested that the losses have been pulling down the rating of the DISCOMs, but with the implementation of the third DISCOM, he was very optimistic that both existing DISCOMs would rise to a higher level. He mentioned that three units in Yadadri power plant have been made operational, one more will be commissioned shortly, and another in a few months. With this, the installed capacity of the power in the state would increase. On the request of the Railways, he said that the same can be examined if only Railways too do extend the benefits in carrying cost of coal. He suggested that DISCOMs should be more consumer-friendly and accept the reforms in the best interest of the consumer. He also mentioned that the order on SLC charges for the LT connections have already been released by the Commission, which has had a very positive effect.

A similar proposal is in the offing for the HT connections also. This will be good for the sector as it will do away with personal intervention at ground level while extending new connections and make the operations more transparent and hassle free. He said that the government is open to encouraging open access and will take necessary steps in this regard. He thanked one and all for the contribution made for the betterment of the sector.

Hon'ble Chairman, in his response, mentioned that this interaction has been very fruitful. The presence of the Special Chief Secretary had added value, and his words will be of immense assurance. He appreciated all the members for the various suggestions made, which are of valuable nature and would be given due consideration. He also said that issues revolving around the solar plants would also be resolved. He complimented one and all once again, stating that the state enjoyed uninterrupted power all through, despite several tough challenges.

With this, the Commission Secretary announced that, since there is no other matter and with the permission, thanked the Chair and one and all for the participation and contribution made and called for closure of the day's meeting.

Sd/-
Commission Secretary